



**CITY OF MODESTO  
GOLF COURSES ADVISORY COMMITTEE  
City Of Modesto 1010 Tenth Street, Room 2005, Modesto, CA  
Wednesday, March 22, 2017, 8:00 a.m.**

**AGENDA**

(NOTE: Any and all of the following agenda items are subject to action being taken by the Modesto Golf Courses Advisory Committee.)

I. CALL TO ORDER

II. APPROVAL OF MINUTES – January 18, 2017

III. WRITTEN COMMUNICATIONS

IV. OLD BUSINESS

A. Appointments & Reappointments

V. NEW BUSINESS (Oral Reports)

A. BrightView Report

B. KemperSports Report

C. The First Tee Report

D. City Staff Report

VI. ORAL COMMUNICATIONS

These may be presented only by interested persons in the audience. Under State law, Committee members may respond to matters being presented under this item only as follows:

A. Briefly respond to statements made or questions asked.

B. Ask a question for clarification.

C. Provide a reference to staff or other resources for factual information.

D. Request staff to report back at a subsequent meeting.

E. Finally, a Committee member or the Committee itself may take action to direct staff to place a matter of business on a future agenda.

VII. MATTERS TOO LATE FOR THE AGENDA

(These may be presented by members of the Golf Courses Committee and staff, upon determination by a majority vote that an emergency exists, as defined by State law, or by a 2/3 vote that [1] there is a need to take immediate action and [2] that the need for action came to the Committee's attention after the agenda was posted.)

VIII. ADJOURNMENT

NOTE: Copies of this agenda are on file at the Modesto-Stanislaus Library Reference Room, 1500 I Street, Modesto, and in the Office of the City Clerk, Tenth Street Place, 1010 Tenth Street, Modesto. A copy of this agenda may be obtained in the Office of the City Clerk.

Posted pursuant to Government Code Section 54954.2 on \_\_\_\_\_, at  
(Date)  
\_\_\_\_\_ by \_\_\_\_\_ on the bulletin board at Tenth Street Place.

## MINUTES

**City of Modesto  
Golf Courses Advisory Committee  
Tenth Street Place  
1010 10<sup>th</sup> Street, Room 2005  
Modesto, California  
January 18, 2017  
8:00 a.m.**

**PRESENT:** Harold Aycock, Maria Arevalo, Shirley Keyser, Tami Krauss, Laurie Salvi, and Susan Williams

**ABSENT:** Nancy Norton

**STAFF:** City Staff: Jessica Franco, Laurie Smith, Diane Sheatsley, and Bob Quintella

**GUESTS:** Scott Dickson (BrightView), Kelly Smith (KemperSports), Kevin Neal (BrightView), John Griston (The First Tee), Ron Jackson, and Sandy Dieker

### I. CALL TO ORDER

Committee Chair Aycock called the meeting to order at 8:02 a.m. Laurie Smith reported that George Petrulakis and Ron Jackson, members of the 100-Day Committee, have been invited to this and future meetings. Ron Jackson is in attendance today.

### II. APPROVAL OF MINUTES

**ACTION: Motion (Salvi/Keyser 6/0)** approving the minutes from the November 18, 2016 meeting.

### III. WRITTEN COMMUNICATIONS

None.

### IV. OLD BUSINESS

**Appointments & Reappointments:** Diane Sheatsley reported the reappointment of Tami Krauss is scheduled for City Council consideration on January 24, 2017. In addition, staff has not yet confirmed if Maria Arevalo can be designated as the representative for the Muni Niners without additional City Council action.

### V. NEW BUSINESS

#### A. BrightView

Scott Dickson presented the report (attached). In response to questions, he reported the following: 1) the removal of an additional sixty (60) trees is pending and they are in discussions with the City; 2) more gopher traps have been purchased for Muni; and 3) there have been less frost delays this year as a result of more rain and cloud cover.



City of Modesto  
Golf Course Advisory Committee Report  
January 18, 2017

**Greens**

- No issues at any of the courses. All are in good condition

**Tees**

- Tees are healthy and green at all 3 courses

**Fairways and Roughs**

- Dried out long enough to be mowed this week

**Trees**

- Over 30 dead trees were removed from Creekside last month. All trees were killed by the invasive parasite: Mistletoe.

**Irrigation**

- 32 Sprinklers were purchased to continue our irrigation system upgrades

**Flooding**

- Due to the recent rains, both Creekside and Dryden experienced brief flooding along the river. Water reached 7 fairway at Creekside and spilled into 2,3, and 4 at Dryden. The flooding lasted than 24 hours and caused no damage other than one tree fell from the river bank into the rough at Dryden

**Safety**

- 2016 was an accident free year for BrightView Golf in Modesto. Weekly safety meetings along with daily inspections continue to stress the importance of operating safely to our staff.

1/18/17

# KemperSports – Golf Advisory Committee Report

Prepared by: Kelly Smith – General Manager

Following you will find information regarding Creekside and Dryden Park Golf Courses dating back to the last Golf Course Advisory Committee Meeting held on November 16<sup>th</sup>, 2016. If you have any questions or concerns regarding this information, or any other subjects, please feel free to reach out to me via email, phone, or in person.

(209) 571-5123

[kellysmith@kempersports.com](mailto:kellysmith@kempersports.com)

**GolfRev** – *GolfRev's are online only sales sent to members of our database and through our website.* We have held **three** GolfRev sales since our last Golf Advisory Committee Meeting

- Our Annual Black Friday / Cyber Monday sale resulted in \$2190 worth of GF/CF's
- Holiday 4 pack (a post-Holiday sale) resulted in \$2376 worth of GF/CF's
- Individual / Walking (in effort to offset the in climate weather) resulted in \$690 worth of GF's

**Weather** – The weather over the last two months has definitely had a negative effect on revenues. Ongoing Rain, No Carts / Range and Frost have severely hampered our ability to attract players to the facilities. GolfRev sales, reduced staffing, and reduced hours on in climate weather days have been put in place to offset the reduced revenues.

**Golf Carts** – Over the past several months we have experienced an increase in mechanically failing golf carts. The golf cart issue is negativity effecting revenues, as well as our ability to book future events. We have signed a short term lease agreement with EZ-GO that will provide new batteries / watering systems / cables in all 88 carts, at Creekside and Dryden Park. We are currently waiting on EZ-GO to receive the 528 batteries from Trojan Batteries. Expected delivery should be the first week of January, and installation should be with two weeks of delivery. With the age of the carts, we will still have some mechanical issues to address on some carts, and those issues will be addressed as they arise.

**Service Rating** – I am very proud of our staff at both facilities. Being faced with our on-going cart issue, and the negativity of many customers expressing their frustrations, they still strived to provide "Best in Class" service and have achieved a rating over 9.3 since our last Golf Advisory Committee meeting. The staff continues to be a great representation of our facility, our client, and KemperSports

**Salvation Army Can Drive** – Once again both facilities participated in the Salvation Army Can Drive over the Holidays. While the Can Drive is not a notable financial promotion for us. It does provide us the opportunity for community relations which is very important to our facilities.

**CA Minimum Wage Increase** – As of January 1<sup>st</sup> California Minimum Wage increased once again. This increase resulted in pay increases for 26 of our 28 employees. We (Department Heads and Myself) continue to work on scheduling the minimum staff while still being able to provide "Best in Class" service.



**Golf Operations Report**  
 Weds, January 18<sup>th</sup>, 2017 8:00 am

1. Course Fees: (Golf & FootGolf)
  - a. Five Dollar Friday – Shows increased rounds in 2016.
  - b. Researched other golf course average cost per nine holes. (see below)
  - c. Spring rates (March 1<sup>st</sup>) back to \$12 weekday and \$14 weekend.
  
2. Marketing / Promoting:
  - a. 2 for 1 Golf Guide
  - b. Monday - Friday After 1 pm per adults \$7 green fee / \$6 cart fee)
  - c. Special Events – Open House, JGANC, & Graffiti Car Show
  
3. Maintenance.
  - a. Cart barn needs exterior wood fencing reinforced.
  - b. COMCAST is waiting permit to complete construction that would enable Modesto Municipal to receive better internet service.  
 This construction is no cost to City of Modesto or The First Tee.

Footgolf:

- a. Footgolf season begins March 1<sup>st</sup>.
- b. Youth for Christ (72 players booked for May 20<sup>th</sup>)

Golf Course:

- a. Back to original layout with new scorecards. (see sample)
- b. Kids Course on driving range (3 holes). \$3 per round (Sat.)

| <b>9 Hole Course Rates Monday-Friday</b> |             |
|--|-------------|
| River Oaks                               | \$10        |
| Jack Tone Golf course                    | \$12        |
| Escalon Golf Course                      | \$9         |
| Dryden Park                              | \$16        |
| Creekside                                | \$17        |
| St. Stan                                 | \$12        |
| Muni                                     | \$12        |
| <i>Average</i>                           | <i>\$13</i> |
| <b>\$5 Friday Special</b>                |             |
| 12/15                                    | \$1,255.00  |
| 12/16                                    | \$1,220.00  |
| January 1st-March 31st 2015              | \$6,840.00  |
| January 1st-March 31st 2016              | \$6,793.75  |

**Golf Fund Budget vs. Actual thru DEC 31, 2016**

| REVENUES                            | FY 16/17<br>Budget  | As of<br>31-Dec-16  | % of<br>budget |
|-------------------------------------|---------------------|---------------------|----------------|
| <b>Fund 4600 (Muni &amp; Admin)</b> |                     |                     |                |
| Total Muni Green Fees               | 210,000             | 84,444              |                |
| First Tee Green Fees                | 2,500               | 0                   |                |
| NCGA-YOC Green Fees                 | 5,000               | 2,673               |                |
| FootGolf Fees                       | 2,500               | 542                 |                |
| Lease of Land (Water Dept)          | 889                 | 0                   |                |
| Misc Lease - Cell Tower             | 94,464              | 47,717              |                |
| Building/Room Rental - Other        | 0                   | 0                   |                |
| Misc Revenue                        | 0                   | 0                   |                |
| Interest Revenue on Bank Accounts   | 0                   | (9,293)             |                |
| Misc Donations                      | 150                 | 0                   |                |
|                                     | \$315,503           | \$126,083           | 40.0%          |
| <b>Fund 4605 (KemperSports)</b>     |                     |                     |                |
| Total Creekside Green Fees          | 800,000             | 333,124             |                |
| Creekside Cart Fees                 | 300,000             | 122,534             |                |
| Creekside Range Fees                | 40,000              | 17,514              |                |
| Creekside Food & Beverage           | 200,000             | 90,953              |                |
| Creekside Merchandise               | 90,000              | 38,078              |                |
|                                     | \$1,430,000         | \$602,203           | 42.1%          |
| Total Dryden Green Fees             | 440,000             | 185,722             |                |
| Dryden Cart Fees                    | 190,000             | 94,959              |                |
| Dryden Range Fees                   | 18,000              | 8,904               |                |
| Dryden Food & Beverage              | 125,000             | 55,510              |                |
| Dryden Merchandise                  | 37,000              | 21,930              |                |
|                                     | \$810,000           | \$367,025           | 45.3%          |
| <b>TOTAL REVENUES:</b>              | <b>2,555,503.00</b> | <b>1,095,310.68</b> | <b>42.9%</b>   |

**EXPENDITURES**

FY 16/17

As of

% of

Budget

31-Dec-16

budget

**Fund 4600 (Muni & Admin)**

|   | FY 16/17<br>Budget | As of<br>31-Dec-16 | % of<br>budget |
|---|--------------------|--------------------|----------------|
| ISF - Mail Services - Inside                    | \$26               | \$13               |                |
| ISF - Building Services                         | \$2,210            | \$1,105            |                |
| ISF - Cost Allocation                           | 45,346             | 22,673             |                |
| ISF - Property Insurance                        | 19,466             | 9,733              |                |
| ISF - Liability Insurance                       | 15,316             | 7,658              |                |
| Office Supplies                                 | 100                | 68                 |                |
| Printing & Binding                              | 100                | 0                  |                |
| Utility Expense - Electric (All 3 courses)      | 50,000             | 22,232             |                |
| Utility Expense - Gas (All 3 courses)           | 5,000              | 1,430              |                |
| Utility Expense - Garbage (Muni only)           | 870                | 408                |                |
| Utility Expense - Phone                         | 100                | 0                  |                |
| Cable/Internet Utility Services                 | 0                  | 156                |                |
| Misc Repair & Maintenance at Muni               | 6,000              | 150                |                |
| Misc Repair & Maintenance-Equipment at Muni     | 6,000              | 0                  |                |
| Course Maintenance - ValleyCrest                | 1,602,974          | 744,325            |                |
| Employee Expense at Muni shared with Del Rio CC | 25,000             | 4,269              |                |
| Memberships & Dues                              | 300                | 0                  |                |
| City Staff - Admin & Building Services          | 76,045             | 46,309             |                |
| Creekside Debt - Principal Retirement           | 340,000            | 0                  |                |
| Creekside Debt - Interest Expense               | 151,666            | -27,167            |                |
| Creekside Debt - Trustee Fees                   | 3,000              | 0                  |                |
| Professional Services Debt                      | 1,000              | 0                  |                |
|   | \$2,350,519        | \$833,361          | 35.5%          |

**Fund 4605 (KemperSports)**

| <i>Creekside</i>                          |           |           |       |
|---|-----------|-----------|-------|
| Office Supplies                           | 3,000     | 558       |       |
| Cost of Sales - Creekside Merchandise     | 60,000    | 25,466    |       |
| Cost of Sales - Creekside Food & Beverage | 100,000   | 39,224    |       |
| Food & Beverage Expense - Creekside       | 6,500     | 3,188     |       |
| Tools & Field Supplies - Creekside        | 4,000     | 117       |       |
| Marketing - Creekside                     | 5,000     | 333       |       |
| Cart Lease - Creekside rental             | 30,000    | 23,661    |       |
| Payroll - Creekside                       | 275,000   | 111,556   |       |
| General & Admin - Creekside               | 76,000    | 28,246    |       |
|   | \$559,500 | \$232,349 | 41.5% |

| <i>Dryden</i>                          |           |           |       |
|--|-----------|-----------|-------|
| Office Supplies                        | \$2,000   | 972       |       |
| Cost of Sales - Dryden Merchandise     | 31,000    | 14,281    |       |
| Cost of Sales - Dryden Food & Beverage | 47,000    | 25,517    |       |
| Food & Beverage Expense - Dryden       | 6,000     | 1,230     |       |
| Tools & Field Supplies - Dryden        | 3,000     | 117       |       |
| Marketing - Dryden                     | 5,000     | 333       |       |
| Cart Lease - Dryden                    | 30,000    | 18,713    |       |
| Payroll - Dryden                       | 220,000   | 110,309   |       |
| General & Admin - Dryden               | 48,500    | 24,144    |       |
|  | \$392,500 | \$195,616 | 49.8% |

**TOTAL EXPENDITURES:****\$3,302,519****\$1,261,326****38.2%**

Revenues over/under Expenditures:

(\$166,016)

Cost Recovery:

87%

**Muni Golf Course Revenues YTD**

|                        | Budget<br>FY 16/17   | JUL             | AUG             | SEPT            | OCT             | NOV             | DEC             | YTD             | % of<br>budget |
|------------------------|----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|
| Green Fees             | \$ 210,000.00        | \$15,120        | \$15,633        | \$13,955        | \$11,719        | \$9,688         | \$8,526         | \$74,640        |                |
| Punch Card Allocation  |                      | \$3,479         | \$3,468         | \$2,565         | \$2,477         | \$3,015         | \$1,949         | \$16,953        |                |
| Annual Pass Allocation |                      | \$0             | \$0             | \$0             | \$0             | \$0             | \$0             | \$0             |                |
| <b>Golf Revenues</b>   |                      | <b>\$18,599</b> | <b>\$19,101</b> | <b>\$16,520</b> | <b>\$14,196</b> | <b>\$12,703</b> | <b>\$10,475</b> | <b>\$91,593</b> | <b>44%</b>     |
| FootGolf Revenues      | \$ 2,500.00          | \$234           | \$260           | \$290           | \$14            | \$48            | \$0             | \$846           | 34%            |
|                        | <b>\$ 225,000.00</b> | <b>\$18,833</b> | <b>\$19,361</b> | <b>\$16,810</b> | <b>\$14,210</b> | <b>\$12,751</b> | <b>\$10,475</b> | <b>\$92,439</b> | <b>41%</b>     |
| Golf Rounds            |                      | 2,127           | 2,158           | 1,952           | 1,509           | 1,489           | 1,312           | 10,547          |                |
| FootGolf Rounds        |                      | 20              | 19              | 26              | 2               | 4               | 0               | 71              |                |





December 20th, 2016

Ms. Laurie Smith  
 Business Center Manager, Community and Economic Development Department  
 City of Modesto

Dear Laurie,

The following is the financial summary and key highlights for the month of November 2016 at the City of Modesto Golf Courses:

| November 2016       | MTD       | Budget    | Variance | YTD       | Budget      | Variance |
|---------------------|-----------|-----------|----------|-----------|-------------|----------|
| Total Revenue       | \$154,586 | \$155,317 | \$731    | \$969,366 | \$1,033,592 | \$64,226 |
| F&B COGS            | \$9,724   | \$9,630   | \$94     | \$64,741  | \$66,386    | \$1,645  |
| Merch. COGS         | \$5,824   | \$5,016   | \$808    | \$39,747  | \$29,727    | \$10,020 |
| Total Cost of Sales | \$15,548  | \$14,646  | \$902    | \$104,488 | \$96,113    | \$8,375  |
| Gross Margin        | \$139,038 | \$140,671 | \$1,633  | \$864,878 | \$937,479   | \$72,601 |
| Payroll Expense     | \$40,759  | \$41,295  | \$536    | \$221,865 | \$214,668   | \$7,197  |
| Other Expense       | \$18,846  | \$17,426  | \$1,420  | \$101,577 | \$95,671    | \$5,906  |
| EBITDA              | \$79,433  | \$81,950  | \$2,517  | \$541,436 | \$627,140   | \$85,704 |
|                     |           |           |          |           |             |          |
|                     |           |           |          |           |             |          |
| Rounds              | 5,472     | 5,100     | 372      | 33,381    | 35,199      | 1,818    |
| Average GF/CF       | \$22      | \$24      | \$2      | \$22      | \$23        | \$1      |

**Overview:**

November revenue numbers were just under budgeted numbers. Rain on Black Friday and throughout the Holiday weekend severely hampered rounds as well as Golf Shop and F&B sales. Once again it proved difficult to make revenue and expense numbers with the continuing cart issues that have severely hampered the ability to drive daily rounds and tournament events. Department Heads and Staff continue develop ideas and promotions to generate more rounds and revenue and overcome the cart issue. Creekside exceeded budgeted revenue goals in the Golf Shop, F&B and Range, while missing in all other categories. Dryden Park exceeded budgeted revenue goals in F&B, Range, Carts, and Golf Shop, while missing in C&G. Overall the Modesto properties missed budgeted revenue goals just under \$1k and budgeted NOI goals by \$2.5k. Year to date total revenues are \$64k behind budget and the NOI is \$85k behind plan.

Northwest Regional Office  
 18119 Via Encantada, Monte Sereno, CA 95030  
 (415) 722-3580

**Key Performance Highlights:****➤ General**

- The staff's commitment in providing "Best in Class" service was once again proven by a 9.4 survey rating even in the midst of our current cart issue.
- Continue social media, email blasts and on-site specials to drive rounds / revenues.
- TrueReview promotions continue in effort to help increase number of returned surveys.
- We hosted local events for the Modesto Golf Club (2), Creekside Golf Club (1), and SIRS (1), the Final 2016 event of the internally created Modesto Cup, as well as outside events for the SOS Club, Alex Lee, and Jon Green
- Upcoming Events
  - Local club events – SIRS (2), CGC (1), MGC (2)
  - Local club weekly play days by the Dryden Park Women's Golf Club, and Creekside Ladybugs.
  - Outside events – The First Tee of Central Valley Play day, Par-Tee, and Jon Green
  - Holiday Can Drive

**➤ Key property action steps by management to drive performance:**

- Hosted Thanksgiving Day Shotguns at both facilities. Numbers increased at both courses over last year.
- Hosted online Black Friday, and Cyber Monday GolfRev sales, resulting in \$2190 worth of vouchers sold.
- Hosted in-store Black Friday Sales, unfortunately weather did not cooperate, and sales were as dismal as the weather.
- Continue to work on the '17-18 Marketing Plan with RSMD, Nadia Chapman
- Remarketed and implemented several new "Winter" specials at both facilities
- Holiday Can Drive – benefiting the Salvation Army
- Continued \$5 after 3pm at Creekside and Dryden Park, Monday through Thursday.
- Continue negotiating a lease agreement with EZ-GO on behalf of the City of Modesto for refurbished cart fleets at both facilities. Currently working with Adrian Meyer of EZ-GO on final paperwork as well as looking into other options, as PNC has backed out of negotiations.
- TrueReview survey results continue to be reviewed weekly at both facilities at department head meetings, as well as being provided to BrightView Golf Maintenance for golf course conditions feedback.
- Modesto properties continue their Social Media campaign with weekly posts on Facebook, and Instagram and have continued weekly promotions where weekly winners receive a round of golf as a prize.
- Website, Twitter, and Facebook posts continue to thrive with positive comments from many new and returning customers.
- Data collection – both courses continue to offer incentives and contests to get customers to sign-up up for our email list.
- Regular email blasts to our data base of 30,000+ unique email addresses. Our lease of 28,000+ email addresses ends this month.
- Aggressive cost containment programs continue in all departments, in effort to reduce overall expenses.
- TrueService training continues for ALL employees. TrueService is the KemperSports company wide service training program which teaches and supports all employees in providing "Best in Class" service in all aspects of our operation.



➤ **KemperSports - National and Regional Support Activities**

- Monthly revenue calls conducted with Steve Argo, Regional Vice President of Operations, and Nadia Chapman Regional Sales and Marketing to review sales pace, revenue generating ideas and “Best Practices” with Kelly Smith and Vince Suarez.



| Course      | NPS  | Overall Rating | Service Rating | Course Rating | Food Rating | Recommend Rating | # of Surveys |
|-------------|------|----------------|----------------|---------------|-------------|------------------|--------------|
| Creekside   | 96.2 | 9.3            | 9.3            | 8.9           | 9.1         | 9.7              | 26           |
| Dryden Park | 62.5 | 8.8            | 9.4            | 8.0           | 9.7         | 8.9              | 8            |

Please call me if you have any questions.

Sincerely,

Steve Argo  
Regional Vice President of Operations - KemperSports  
Cc: Jim Stegall